

of \$750 for each adult, and \$500 for each other dependent; 40 percent may be made to persons or families whose adjusted gross income exceeds 110 percent but does not exceed 120 percent of said amount; and the remainder may be made without limitation;

(b) The maximum price allowable for homes eligible for mortgage loans shall not exceed three times the income limit established in clause (a) exclusive of the adjustment for family members;

(c) The amount of revenue bonds authorized by this subdivision is limited to \$45,000,000 for Coon Rapids and \$35,000,000 for Vadnais Heights;

(d) The principal amount of bonds issued by either city pursuant to this section shall be deducted from the aggregate amount of bonds issuable by the city at any time under the provisions of section 7, subdivision 2; and

(e) This subdivision applies to two cities within two contiguous counties and is effective the day following final enactment, in accordance with the provisions of Minnesota Statutes, Section 645.023, Subdivision 1.

Sec. 15. [462A.04] [Subd. 8a.] The approved complement of the Minnesota housing finance agency may be increased up to three unclassified positions for the purposes of sections 1 to 16.

Sec. 16. This act is effective the day following final enactment.

Approved June 1, 1979.

CHAPTER 307—H.F.No.272

An act relating to public welfare; child care services; defining a sliding fee schedule payment plan for child care; appropriating money; amending Minnesota Statutes 1978, Section 245.84, Subdivision 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1978, Section 245.84, Subdivision 2, is amended to read:

Subd. 2. Within the limit of appropriations available and subject to the allocation requirements of section 245.87 the commissioner may shall establish an experimental program to make grants to counties, municipalities, corporations or incorporated licensed day care facilities and may promulgate rules for grants using the purpose of reducing according to a sliding fee scale schedule the costs of child care for eligible families. The commissioner shall review the program annually. Excluding that portion charged to parents; grants made pursuant to the sliding fee scale shall not exceed 95 percent of the total cost of the program for fiscal year 1977, 85 percent for fiscal year 1978; and 75

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percent for each year thereafter. The commissioner shall promulgate temporary rules to govern the experimental program in accordance with this subdivision. The commissioner shall require collection of data and periodic reports as the commissioner deems necessary to demonstrate the effectiveness of the program in preventing and reducing dependence of participants on public assistance and in providing other benefits. The commissioner shall report to the legislature no later than January 15, 1981 on the effectiveness of the experimental program and make recommendations regarding making this program an integral part of the child care services administered by the counties. The experimental program shall expire no later than June 30, 1981.

In addition to payments from parents, contributions to the cost of the program shall be made by grantees as follows: 5 percent in the first grant year, 15 percent in the second grant year.

Families eligible for the sliding fee program shall be those having: (a) income above the maximum allowable for Title XX fully subsidized child care but less than 70 percent of the state median income for a family of four adjusted for family size as that median appears in the then current Title XX comprehensive annual services program plan issued by the state department of public welfare; and (b) parents determined by the commissioner, according to criteria which the commissioner shall establish, to be unable to care for the child because of employment, school attendance or other circumstances.

In setting the sliding fee schedule, the commissioner shall exclude from the amount of income specified in clause (a) of the preceding paragraph for determining eligibility an amount for federal and state income and social security taxes attributable to that portion of income according to federal and state standardized tax tables. The total fee charged for child care to any family shall not exceed 75 percent of the income so determined to be above the maximum allowable for fully subsidized child care.

In each case where the grantee charges a fee that is less than the fee set by the commissioner for the same service, the state's payment shall be limited to the difference between the fee set by the commissioner and the charge for care.

In cases where the provider of the child care service charges in excess of 125 percent of the median charge for like care arrangements in the geographic area defined by the commissioner for the purposes of ascertaining such median charge, the state's payment shall be limited to the difference between 125 percent of the median charge for like care arrangements in the geographic area and the parents' fee.

Sec. 2. There is appropriated from the general fund to the commissioner of public welfare for the purposes of section 1, the sum of \$1,500,000 for the biennium ending June 30, 1981, of which no more than 7 percent shall be included in any grant for the grantee's administration expenses.

Approved June 1, 1979.

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